



Continuing Insurance at Retirement

****Presentation is for general information only. Employees should be directed to contact the Benefits Administration Service Center directly for assistance with any questions regarding eligibility to continue insurance at retirement.**

August 2018

Agenda

- Local Education & Local Government
 - TCRS
 - Non-TCRS
- The Tennessee Plan
- Voluntary Products
- Your role as an ABC
- Annual Enrollment for Retirees

STATE OF TENNESSEE

BENEFITS ADMINISTRATION TRAINING

Local Education & Local Government Retiree group
health eligibility

- Tennessee Consolidated Retirement System (TCRS)
Member
- Non- TCRS Member

Retiree Eligibility Requirements

Group Health Insurance

Variables that impact eligibility to continue group health insurance at retirement include:

- **Creditable service criteria** – rules regarding what service counts towards eligibility and what service will not count.
 - Local Education- Only creditable service with state, HED or local education agency that **participates** on the state plan may be counted.
 - **Different rules for Local Government-** local government service **cannot be combined with ANY other service**; not even service with another local government agency.

Retiree Eligibility Requirements

Group Health Insurance

Variables that impact eligibility to continue group health insurance at retirement include:

- **Years of continuous insurance coverage** on the state plan immediately preceding termination of employment.
- **Date of retirement with TCRS** or if retiree is Local Government and/or **Non-TCRS member**, **age** at termination of employment.
- Age of retiree and/or covered dependents (are they under 65 or 26?)
- Was the application submitted timely?

Eligibility

Group Health Insurance

- Service that **does not count** as creditable for **eligibility** purposes:
 - Any military time that did not interrupt employment
 - Service previously cashed out and not paid back
 - Service with a local education agency that does not participate on the state group health plan
 - Local Government service cannot combine with anything, including other Local Government agencies

Eligibility

Local Education

- State, Higher Education and Local Education **certified teacher** retirees have premium reduction based on years of service, even if agency does not participate in state insurance plan.
 - **EXAMPLE:** Member has **10** years of Shelby County Schools (non participating agency) certified teaching service and **20** years with Robertson County Schools (participating agency); Premium level is 30+ years.
- Loss of LEA support is NOT a qualifying reason to cancel retiree group health

Eligibility

Group Health Insurance

- Continuation of dependent only group health is only allowed if the retiree is enrolled in Medicare.
- Member becomes **ineligible when entitled to Medicare at any age** on the Local Government retiree group health plan.
- A retiree who is no longer eligible for group health themselves is not eligible to add a dependent to the retiree group health plan via the special enrollment provision.

Eligibility

Group Health Insurance

- Retirees must continue coverage in the same group health plan for themselves and/or eligible dependents upon retirement. They may make changes during Annual Enrollment or if they meet the special qualifying event criteria.
- **Application to Continue Insurance at Retirement** (even if they are applying for the Tennessee Plan- elect coverage in part 4) submitted within one full calendar month after termination of active coverage

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BENEFITS ADMINISTRATION TRAINING

Tennessee Plan Eligibility



Tennessee Plan Eligibility

All Agencies

- The Tennessee Plan (POMCO) - Supplemental medical insurance for retirees with Medicare
- Plan is not offered to the general public
- State, Higher Education, Local Education and Local Government retiree receiving monthly **TCRS** pension **based on own service**
- Higher Education retiree who is ORP participant **based on own service**
- Surviving spouse who was enrolled in Tennessee Plan at the time of retiree's death

Tennessee Plan Eligibility

All Agencies

- State, Higher Education and Local Education **certified teacher** retirees have premium reduction based on combined years of service
- All certified **teaching service** counts, not just certified service with participating agencies
- Local Education support staff and Local Government retiree do not get reduction in premium UNLESS agency has passed Medigap Resolution

Tennessee Plan Eligibility

All Agencies

- The Tennessee Plan supplemental medical insurance for retirees with Medicare is only a supplement for Medicare part A and B.
- Applicant must be enrolled in at least Medicare part A.
- It does not cover prescription drugs and will not coordinate benefits if a member has enrolled in a Medicare Advantage plan.

Tennessee Plan Eligibility

All Agencies

- Retiree has 60 days to apply for the Tennessee Plan from date of initial eligibility. Applications outside of 60 day initial eligibility are subject to late enrollment approval.
- Retiree must be enrolled to cover a Medicare entitled spouse.

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BENEFITS ADMINISTRATION TRAINING

Voluntary Products

Retiree Vision Eligibility

All Agencies

- Must be enrolled on the retiree group health plan **AND** retiree must receive a monthly TCRS pension or be a higher education ORP retiree.
- If they do not meet the eligibility for retiree vision, they may continue under COBRA the COBRA provision if they had coverage as an employee.
- COBRA vision premiums CANNOT be processed on retirement record.

Retiree Dental versus COBRA Dental

All Agencies

- Must receive a monthly TCRS pension or be a higher education ORP retiree to enroll in retiree dental plan.
- If they elect dental on the Application to Continue Insurance at Retirement, they will be enrolled in retiree dental.
- If they had dental as an active employee, they have the option to continue their dental under the COBRA provision.

Retiree Dental versus COBRA Dental

All Agencies

- COBRA dental premiums are a little bit less expensive and the retiree can keep COBRA for up to 18 months.
- COBRA dental premiums CAN be processed on retirement record.
- If they wish to exercise COBRA rights, they must complete and return COBRA form.
- A letter is sent if COBRA dental is processed on retiree record notifying member of impending COBRA expiration.

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BENEFITS ADMINISTRATION TRAINING

Your Role as an ABC

ABC's- What you need to know

- Direct employees with questions regarding eligibility and premiums to:
<https://www.tn.gov/partnersforhealth/continuing-insurance-at-retirement.html>.
- Direct employees to contact the **Benefits Administration Service Center** to confirm their eligibility.

ABC's- What you need to know

- Provide employees with the **Application to Continue Insurance at Retirement**.
 - Note- The Tennessee Plan application is only used for members who are already retired.
- Ensure the **Employer Certification** is completed correctly by an authorized Agency Benefit Coordinator.
- Ensure the Application to Continue Insurance at Retirement is uploaded into Zendesk timely, using the Retirement Document Upload function.
- Ensure active insurance is terminated timely.

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BENEFITS ADMINISTRATION TRAINING

Annual Enrollment for Retirees

Annual Enrollment for Retirees (AE)

- AE for retirees will be 10/01/2018 through 10/26/2018.
- Retirees with group health enrollment for themselves and/or dependents will receive a newsletter on available healthcare options, premium data, a list of benefit changes, and vendor changes.
- A retiree CANNOT enroll themselves in group health via AE.

Annual Enrollment for Retirees (AE)

- Enrollments and changes in coverage become effective the following January 1st
- Employees who terminate employment and retire between now and the end of the year must be advised that elections they make via ESS on their ACTIVE insurance record, will not carry over on to their retirement record if their active insurance will terminate prior to 02/01/2019.
- This will be the first year that ESS will be offered to retirees who have some level of group health coverage.

Questions?